

ASSEMBLY BILL

No. 1379

Introduced by Assembly Member Calderon

February 21, 2003

An act to add Article 6 (commencing with Section 2899) to Chapter 10 of Part 2 of Division 1 of the Public Utilities Code, relating to telecommunications.

LEGISLATIVE COUNSEL'S DIGEST

AB 1379, as introduced, Calderon. Telecommunications: mobile telephony service.

Under existing federal law, the Federal Communications Commission licenses and partially regulates providers of commercial mobile radio service, including providers of cellular radiotelephone service, broadband Personal Communications Services (PCS), and digital Specialized Mobile Radio (SMR) services. Under existing federal law, no state or local government may regulate the entry of or the rates charged by any commercial mobile service, but is generally not prohibited from regulating the other terms and conditions of commercial mobile radio service. Where commercial mobile radio services are a substitute for land line telephone exchange service for a substantial portion of the telecommunications within a state, commercial mobile radio service providers are not exempted by federal law from requirements imposed by a state commission on all providers of telecommunications services that are necessary to ensure the universal availability of telecommunications services at affordable rates.

Existing law empowers the Public Utilities Commission to regulate telecommunications services and rates, except to the extent regulation

of commercial mobile radio service is preempted by federal regulation, of telephone corporations and to require telephone corporations to provide customer services.

This bill would require that providers of cellular radiotelephone services, broadband PCS, and digital SMR, extend to new customers, a minimum 14-day grace period after receipt of the customers' first billing containing itemized use charges, during which the customer may rescind the agreement, without cost or penalty, except that the customer would be required to pay for those services used prior to the cancellation of the agreement. The bill would further require that providers of cellular radiotelephone services, broadband PCS, and digital SMR provide notice to consumers of these rights. The bill would except contracts where customers are not required to purchase more than one month of service, from these requirements.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 6 (commencing with Section 2899) is
2 added to Chapter 10 of Part 2 of Division 1 of the Public Utilities
3 Code, to read:

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5 Article 6. Mobile Telephony Services

6 2899. For purposes of this article, "mobile telephony
7 services" means commercially available interconnected mobile
8 phone services that provide access to the public switched
9 telephone network (PSTN) via mobile communication devices
10 employing radiowave technology to transmit calls, including
11 cellular radiotelephone, broadband Personal Communications
12 Services (PCS), and digital Specialized Mobile Radio (SMR).
13 "Mobile telephony services" does not include mobile satellite
14 services or mobile data services used exclusively for the delivery
15 of nonvoice information to a mobile device.

16 2899.1. (a) Every provider of mobile telephony services
17 shall without cost or penalty, extend to new service customers, a
18 grace period of at least 14 days after receipt of the customers' first
19 billing containing itemized use charges, for customers to rescind
20 the agreement, except that the customer shall pay for those services
21 used prior to the cancellation of the agreement. Every new wireless



1 telecommunications services agreement shall provide reasonable
2 notice of this grace period and the right of the customer to rescind
3 the agreement pursuant to this subdivision.
4 (b) This section shall not apply to contracts for mobile
5 telephony service where customers are not required to purchase
6 more than one month of service.

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